

Message Text

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TAGS: EGEN, UR

SUBJECT: MID-YEAR REPORT CARD ON SOVIET ECONOMY: GOOD, BUT ROOM
FOR IMPROVEMENT*

REF: MOSCOW 9582

1. SUMMARY - SOVIET CENTRAL PRESS JULY 15 REPORTS THAT FOR FIRST SIX MONTHS 1975 ACTUAL PERFORMANCE IN INDUSTRIAL PRODUCTION AND GROWTH IN LABOR PRODUCTIVITY EXCEEDED PLANNED RATES. BASED ON REPORTS FROM ALL UNION REPUBLICS AND INDUSTRIAL MINISTRIES, ARTICLE PREDICTS THAT GOAL OF SIX BILLION RUBLES ABOVE-PLAN PRODUCTION FOR FINAL YEAR OF NINTH FIVE-YEAR PLAN WILL BE ATTAINED. SEVERAL INDIVIDUAL ENTERPRISES RECEIVE PRAISE FOR SIX-MONTH EFFORTS, ALTHOUGH TOTAL PRODUCTION FIGURES BY INDUSTRIAL SECTOR OR BY MINISTRY NOT YET REPORTED. END SUMMARY.

2. LENGTHY TASS ITEM CARRIED BY SOVIET CENTRAL PRESS JULY 15 CLAIMS THAT FOR PERIOD JANUARY-JULY 1975 SOVIET WORKERS EXCEEDED PLANNED RATES FOR BOTH INDUSTRIAL PRODUCTION AND GROWTH OF LABOR PRODUCTIVITY. REPORT, ENTITLED "HIGH WORKING TEMPO: SUCCESSFUL FULFILMENT OF THE PLAN AND SOCIALIST OBLIGATIONS FOR THE FIRST HALF-YEAR", FORECASTS THAT GOAL OF ABOUT SIX BILLION RUBLES INDUSTRIAL PRODUCTION OVER FIGURES IN FIVE-YEAR PLAN WILL BE ACHIEVED.

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WORKER COLLECTIVES IN ALL UNION REPUBLICS AND INDUSTRIAL

MINISTRIES HAVE REPORTEDLY CARRIED OUT SUCCESSFULLY GOALS SET BY 24TH PARTY CONGRESS AND ARE NOW IN PROCESS OF INCREASING THEIR "SOCIALIST OBLIGATIONS" IN HONOR UPCOMING 25TH CONGRESS.

3. INDIVIDUAL ENTERPRISES WHICH RECEIVE HIGH MARKS FOR PERFORMANCE INCLUDE THE "KIROV TRACTOR PLANT" IN LENINGRAD WHICH, REPORTEDLY HAS STARTED SERIAL PRODUCTION OF THE K-701, DESCRIBED AS "MOST POWERFUL SOVIET TRACTOR", AND EXPECTS PROVIDE "FIRST THOUSANDS" OF THESE MACHINES TO SOVIET AGRICULTURE BY END OF YEAR. MAJORITY OF MOSCOW ENTERPRISES, ESPECIALLY AUTOMOBILE PRODUCTION ASSOCIATIONS "MOSAVTOZIL" AND "AVTOMOSKVICH", PRAISED FOR BOTH QUANTITY AND QUALITY OF WORK. ANOTHER GROUP OF PLANTS, INCLUDING THE KHARKOV ALUMINUM-BRONZE PLATE PLANT AND THE LENINGRAD "KRASNY MAYAK" ENTERPRISE, FAILED TO MEET PLANNED PRODUCTION FOR FIRST SIX MONTHS. REPORT CALLS ON THESE ORGANIZATIONS TO ANALYZE REASONS FOR "WORK FAILURES" AND TO CORRECT SITUATION BY MORE EFFECTIVE UTILIZATION INTERNAL RESERVES.

4. CONSTRUCTION ENTERPRISES, BOTH FOR HOUSING AND INDUSTRIAL PROJECTS, REPORTEDLY PERFORMED WELL DURING PERIOD. SOME 11 MILLION SOVIETS WILL MOVE TO NEW APARTMENTS DURING 1975. BEST WORK IN INDUSTRIAL CONSTRUCTION PROJECTS LISTED AS NEW PRIMARY OIL REFINING COMPLEX, "ONE OF LARGEST IN COUNTRY", AT NOVOGORKY REFINERY, SECOND PRODUCTION LINE OF AMMONIUM PHOSPHATE AT "PHOSPHRIT" PLANT, AND COMPETITION OF ASSIGNED WORK BY THE "ANGARSTROY" ENTERPRISE ON THE WESTERN SECTION OF THE BAIKAL-AMUR RAILWAY. COOPERATIVE EFFORT OF 28 LENINGRAD ORGANIZATIONS ON CONSTRUCTION OF SAYANO-SHUSHENSK HYDRO-ELECTRIC PROJECT, DESCRIBED IN REPORT AS "LARGEST HYDRO-STATION ON THE PLANET", CITED AS GOOD EXAMPLE FOR SOVIET CHIEFS OF OTHER LARGE ENTERPRISES TO FOLLOW. REPORT POINTS OUT THAT PRODUCTION IN MANY INDUSTRIAL PLANTS BEGINS MANY MONTHS AFTER COMPLETION BASIC CONSTRUCTION. EQUIPPING OF PLANT AND GETTING THEM INTO PRODUCTION LISTED AS MOST IMPORTANT TASK OF YEAR.

5. COMPLETION OF LONG-TERM DEVELOPMENT PROGRAM IN AGRICULTURE, INCLUDING ESTABLISHMENT OF "BASIC MATERIAL-TECHNICAL BASE", MOVED AHEAD DURING THIS SIX MONTHS. REPORTEDLY CROPS ARE BEING HARVESTED FASTER AND WITH LESS WASTE THAN IN PREVIOUS YEAR. PRODUCTION AND SALE TO STATE OF MEAT, MILK AND EGGS EXCEEDED SET QUOTAS
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DURING PERIOD.

6. COMMENT: ALTHOUGH OVERALL REPORT LEAVES USUAL ROSY GLOW, CERTAIN NEGATIVE INDICATORS ARE NOT OMITTED. WE HAVE NOTED FREQUENT COMMENT RECENTLY ON LARGE NUMBER OF INDUSTRIAL PLANTS WHICH REMAIN IDLE FOR LONG PERIODS AFTER SO-CALLED COMPLETION OF CONSTRUCTION. SITUATION LARGELY RESULT OF SYSTEM WHICH REWARDS CONSTRUCTION ORGANIZATIONS ON BASIS TOTAL SQUARE METERS PUT UP,

WITH NO CONSIDERATION OF END-USE FOR PROJECT. RECENT CHANGES IN
CONSTRUCTION INDUSTRY IN BYELORUSSIAN REPLUBLIC PARTLY AIMED AT
CORRECTING THIS SITUATION.
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